

In the Specification:

Please replace the paragraph starting on page 5, line 5, with the following amended paragraph:

A server node with integrated networking capabilities is disclosed. According to one embodiment of the invention, a server node consists of one or more processors. The processors are configured to perform server functions as well as switch and router functions. The server nodes also have a plurality of ports. These ports allow the server nodes to be connected ~~combined~~ to form blocks and networks as well as to provide connection to external networks. When a server node receives a request, it determines whether it can handle the request. If possible, the server node handles the request. If the server node cannot handle the request, it routes the request to a second, neighboring server node.

Please replace the paragraph starting on page 7, line 15, with the following amended paragraph:

Each node in the block 300 performs normal server function as well as switching, routing, load balancing, and fail-over functions. Routing gives loop free paths and automatic dealing with failed nodes but no load balancing. Load balancing can be handled in various manners but in the preferred embodiment this function is performed as detailed in co-pending U.S. Patent Application No. 09/607,639 [[_____]], entitled "Load-Balancing Anycasting and Routing In a Network" filed on June 30, 2000 [[_____]]. To summarize, in this embodiment, load balancing is performed by continuously calculating the load, response time and link traffic load on all possible connections and picking the one that, at this point in time, can provide the quickest response. Because this is a distributed calculation, each node does not need

Docket No: 082225.P4249
Application No: 09/589,218

to know how to access all other nodes, it only needs to know how to access its neighboring nodes. Therefore, routing tables can be very small since a node only needs to know its immediate neighbors and not the entire network.